

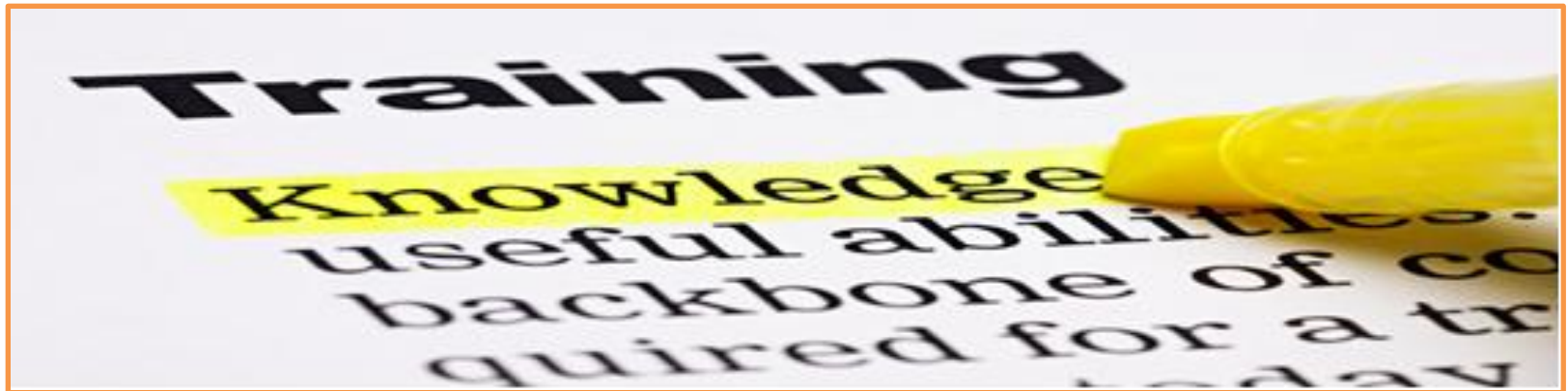


TENANT BASED RENTAL ASSISTANCE

December 13, 2012

9:00 AM - 11:00 AM

2013 TBRA Application



TBRA Agenda

Welcome and Opening Remarks
HOME Administrative Rules Overview
HOME Subrecipient Overview
Major Cross Cutting Regulations
TBRA Overview
Scoring & Threshold
Navigating the Application
Q & A

Welcome and Opening Remarks

Carolann Jensen, Chief Administration Officer

HOME Team Members

Connie Bryant, Rita Eble, Jerry Floyd, John Kerss,
Nancy Peterson, Christine Zimmerman

Application Due

DUE DATE: January 14, 2013 by 4:30 PM

Please submit application early in case of technical difficulties.

Allocation



Allocation

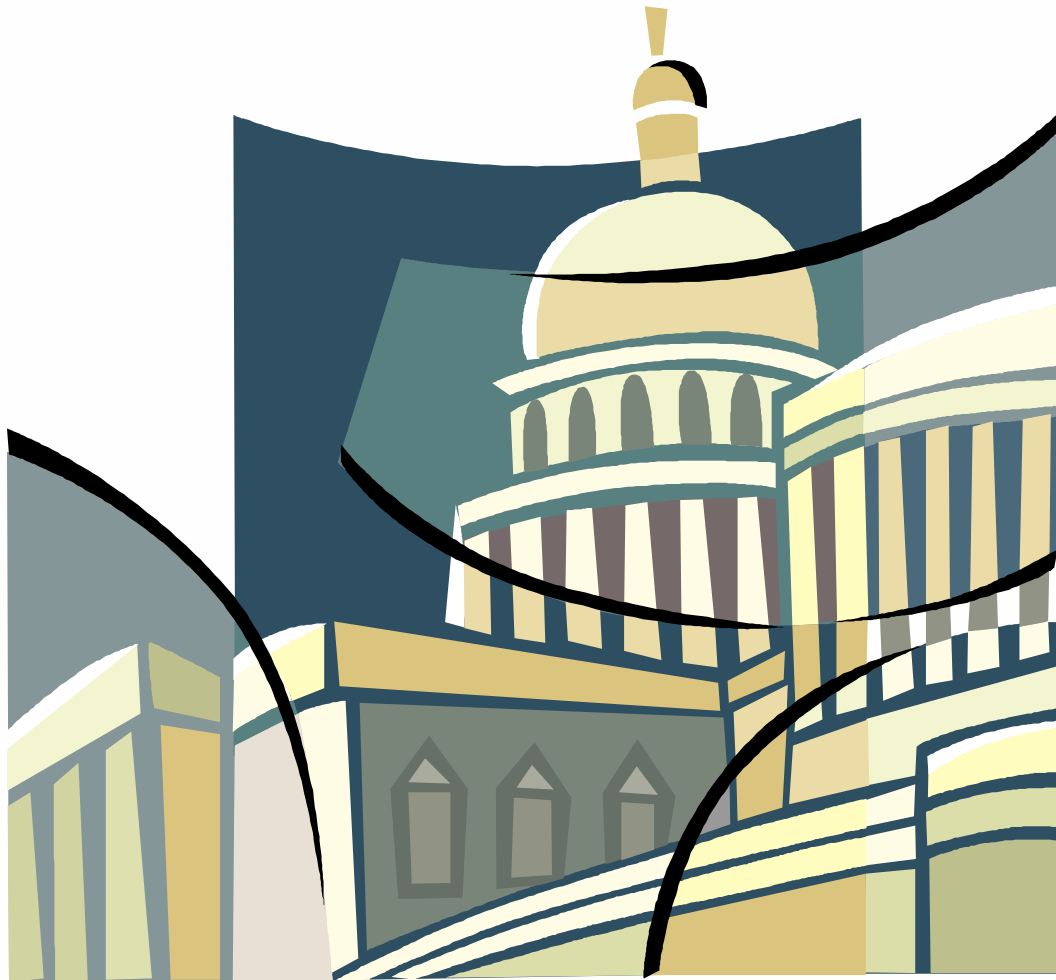
HOME Allocation 2013 (**estimate**) \$6 M

This is just an estimate of 2013 HOME funds

Projected Breakout of HOME funds

- ✓ CHDOs: \$900,000
- ✓ Developer: HOME/LIHTC Rental: \$2,000,000
- ✓ Rental (no LIHTC): \$1,300,000
- ✓ TBRA Programs: \$1,000,000
- ✓ Homebuyer Programs: \$900,000

Administrative Rule Changes



2013 Administrative Rule Changes

There were no changes that would affect the TBRA program or subrecipients.

Eligible Applicants

Eligible applicants for HOME assistance include all incorporated cities and all counties within the state of Iowa, and non-profit 501(c) organizations

Subrecipient

Role of the Subrecipient

A subrecipient is a public agency or non-profit organization designated by the IFA to administer all or a portion of IFA's HOME program allocation. It may or may not also qualify as a CHDO.

Subrecipient

A subrecipient is **responsible** for compliance with all HOME regulations on behalf of IFA and failure to meet compliance regulations **could result** in repayment of funds by the subrecipient.

Subrecipients will be required to execute a Subrecipient Agreement (contract) with IFA.

Administration Cost

Only the subrecipient organization is eligible to receive the administration funds associated with managing the HOME funds locally.

General Administration is a separate activity contained in the subrecipient's approved budget and shown on Exhibit A of the HOME contract.

Administration Cost

Administration funds can reimburse the following:

- Costs of operation including salaries, utilities, office supplies, etc.;
- Legal counsel;
- Providing public information;
- Fair housing and affirmative marketing activities;

Administration Cost

- Indirect costs under a cost allocation plan prepared in accordance with the Office of Management and Budget (OMB) Circular requirements; and
- Complying with other Federal requirements (employment and contracting, lead-based paint, recordkeeping).

Subrecipient

The subrecipient of the HOME program will need to perform the following:

- Administration functions where HOME is used to reimburse actual staff costs;
- Administering the TBRA program;
- Developing systems and schedules for ensuring compliance with the HOME program requirements;

Subrecipient

- Accepting TBRA applications and verifying household incomes;
- Developing and implementing TBRA contracts with landlords and households;
- Submitting all draw requests and information regarding matching funds;
- Resolving audit and monitoring findings;
- Preparing reports and other documents;

Subrecipient

The following technical service fees may be contracted following the competitive bidding process and procurement procedures.

- The subrecipient would retain full responsibilities and oversight for the work completed by any contractor to complete housing quality and lead-based paint inspections.

Contract Timeline



Contract Timeline

- Work Completion Date is 2 years
- Extensions will only be granted if significant progress has been made
- HOME funding can be de-obligated if a program can not utilize all or a portion of the HOME funds.

Conflict of Interest

- No employee, officer, or agent of a subrecipient may participate in the selection, award, or administration of a contract supported by HOME if a real or apparent conflict of interest could be involved

Conflict Defined

Conflict arises when:

1. Any employee, officer, or agent
2. Any member of his or her immediate family
3. His or her partner
4. Or an organization which employs or is about to employ any of the parties above

Has a financial or other interest in the firm
selected for an award

Procurement

- Non-profits must follow 24 CFR Part 84
- Governmental entities must follow 24 CFR 85

Procurement

- All transactions must “be conducted in a manner to provide, to the maximum extent practical, open and free competition”
- Generally, all agreements for goods or services must be bid out
- All awards must be made to the bidder whose bid is responsive to a solicitation and is “most advantageous to the recipient, price, quality and other factors considered”

Procurement

- Contractors must be responsible, so even the lowest bid may be rejected if a subrecipient reasonably believes that the contractor cannot undertake the project
- Records should be maintained to detail the procurement for each project

Procurement

- Must ensure nondiscrimination in the solicitation and award of contracts
- All projects utilizing HOME funding must take affirmative steps to use small businesses and minority- or women-owned businesses as sources of supplies, equipment, construction, and services

Policy and Code of Conduct

- A procurement policy and code of conduct has been created that must be adopted and submitted to IFA before HOME funds can be drawn
- Subrecipients are obligated to create a plan to ensure that the code of conduct is being followed

2012 HOME Subrecipient

Lead Based Paint



Lead Based Paint

- The HOME program is impacted by HUD's Lead Safe Housing Regulations.
- This legislation is formally known as:

“Requirements for Notification, Evaluation and Reduction of Lead-Based Paint Hazards in Federally Owned Residential Property and Housing Receiving Federal Assistance; Final Rule” (24 CFR, Part 35)

Lead Based Paint

- HUD has also issued “[interpretive guidance](#)” to Lead Safe Housing Regulations.
- The applicability of the various subparts of this regulation will depend upon the type of activity you are undertaking.

Lead Based Paint

Subpart A – “Disclosure of Known Lead-Based Paint Hazards Upon Sale or Lease of Residential Property” (Homebuyer Assistance and Rental activities);

Subpart B – “General Lead-Based Paint Requirements and Definitions for All Programs” (all activities);

Subpart J - “Rehabilitation” (any activity involving rehabilitation such as rehabilitation in support of, or incidental to, homebuyer, and rental rehabilitation);

Subpart K – “Acquisition, Leasing, Support Services or Operation” (potentially any activity);

Lead Based Paint

Subpart M - Applies to the TBRA program.

The regulation only applies to structures built before 1978 that house children under the age of six.

Subpart R – “Methods and Standards for Lead-Based Paint Hazard Evaluation and Hazard Reduction Activities” (all activities).

Ongoing Maintenance. Ongoing maintenance is required if the grantee has an ongoing relationship with the Federal government (e.g. Rental or TBRA activities). Ongoing maintenance includes periodic visual assessments to determine if lead-based paint hazards have reappeared.

Lead Based Paint

- You are encouraged to read and become familiar with the subparts of this legislation that apply to your activity.
- Especially Subpart B (definitions of terms) and Subpart R (details specific requirements and procedures for reducing or abating lead-based paint hazards).

Lead Based Paint

NOTIFICATION

- There is an up-front notification requirement to the current or the intended occupant(s) of the assisted unit. This initial notification is to convey general information of lead-based paint dangers.
- You need to use EPA's standard pamphlet "[Protect Your Family from Lead in Your Home](#)" or the Iowa Department of Public Health's pamphlet "[Lead Poisoning - How to Protect Iowa's Families](#)" for this purpose.
- Documentation indicating that this initial notification was conveyed to the occupant(s) must be contained in your project files.

Lead Based Paint

- The preceding information is only a brief summary of the requirements. You should become familiar with HUD's Lead Safe Housing Regulations (particularly Subparts B and R, and any other subpart applicable to the type of activity you are conducting if your project or activity involves target housing).
- The HUD “[Guidelines for the Control of Lead-Based Paint in Housing](#)” (made available to all individuals that have taken any of the IDPH’s lead professional training and certification courses) is another valuable reference tool, particularly for procedural issues.

Environmental



Environmental

- This type of project is Categorically Excluded Not Subject to Other Federal Laws and Regulations.
- There is no publication requirement.
- But you will have to document and request Release of Funds from IFA.

TBRA Overview



TBRA Overview

- 90% of households served must have income at or below 60% of area median income.
- All households must be at or below 80% of area median income
- HUD has a new tool available for income determination [CPD Income Eligibility Calculator](#)

TBRA Overview

- Rent cannot exceed “Fair Market Rent”

<http://www.hud.gov/offices/cpd/affordablehousing/programs/home/limits/rent/2011/ia.pdf>

- Units must meet HQS standards and be, at a minimum, temporarily lead safe.

TBRA Overview

- Forms of Assistance
 - ✓ Monthly rental assistance payments
 - ✓ Security Deposits
 - ✓ Utility Deposits
(must be used in conjunction with one of the above assistance)

TBRA Overview

- TBRA can be paid directly to the landlord or to the tenant. It is also required to be portable-it follows the tenant if they move.
- Maximum assistance limited to difference between rent and 30% of the household's income

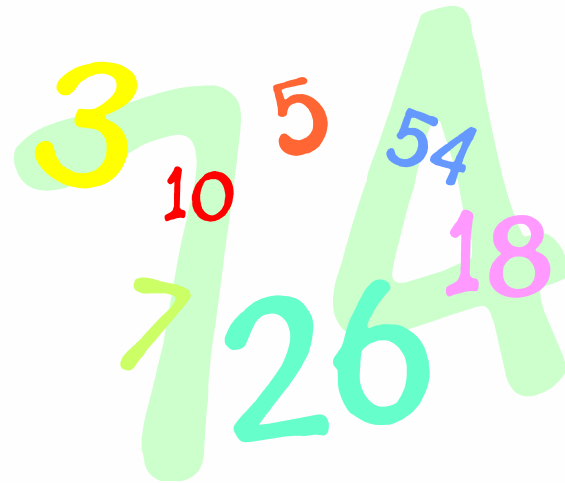
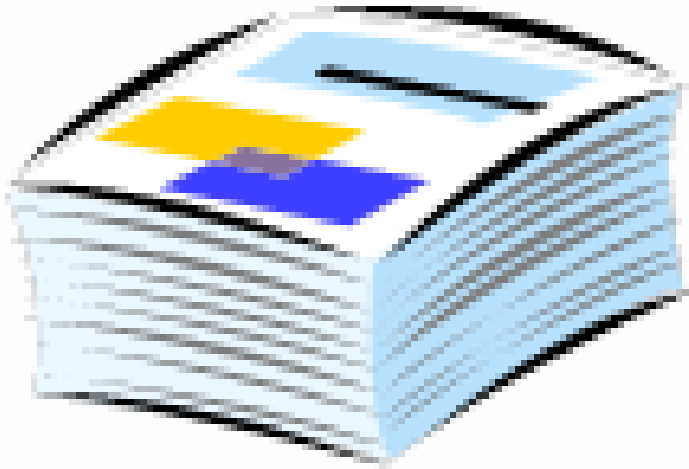
TBRA Overview

- Rent assistance can be for up to 24 months
- For security deposits, assistance may not exceed two months rent

Application Tips

- The need for TBRA should be supported by a Public Housing Authority's waiting list
- Document administration capacity and keep administration expenses reasonable
- Document that decent, safe, and sanitary rental units exist in your area

Scoring and Threshold



Navigating the Application



Q & A



To Submit Questions

If you have a question after the training, please email: carolann.jensen@iowa.gov

- Questions must be submitted in writing so that responses can be published on the IFA HOME webpage each Friday, while the round is open.
- Only those questions responded to in writing can be relied on as the policy of the agency

DISCLAIMER

This presentation is intended as general information only and does not carry the force of legal opinion.